

IRS Due Diligence Videos  
AGI Rule—Alice Jackson  
FINAL

## **VIDEO**

OPEN ON PREPARER'S POV AS ALICE  
ENTERS OFFICE AND TAKES A SEAT.  
OPEN ON CLOSE UP OF ALICE  
JACKSON AS SHE SPEAKS TO  
CAMERA.  
CUT TO ALICE AT PREPARER'S DESK.

FREEZE FRAME FOR OPENING TITLE.

ARTCARD:  
TAX TALES  
**THE CASE OF THE TOPSY TURVY  
GRANDMA.**

AS THE CONVERSATION CONTINUES,  
THE PREPARER IS CHARMED AND  
MIDLY AMUSED BY MRS JACKSON.  
THEY HAVE A GOOD RAPPORT.

## **AUDIO**

SIGNATURE MUSIC.

PREPARER: Come in please.

ALICE: How are you?

PREPARER: I'm great. Good to see you,  
Mrs. Jackson.

ALICE: Thank you.

PREPARER: Please, have a seat.

ALICE: Oh, thank you.

PREPARER: I'll be with you in just one  
moment. What can I do for you today?

ALICE: I told my son not to marry that  
woman. Now look at the situation we're in.

PREPARER: Well, Mrs. Jackson. Three  
grandchildren ages 3, 4 and 5. You have  
your hands full.

ALICE: Aren't they darling?

ALICE: Some days I don't know if I'm  
coming or going.

PREPARER: And you've been living with  
your son, taking care of his children for...

ALICE: Since May of last year.

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**VIDEO**

THE CONVERSATION CONTINUES.

**AUDIO**

PREPARER: And the children's mother, where is she?

ALICE: Soon as that divorce became final last April, puh! She made herself scarce.

PREPARER: So, the mother does not see the children?

ALICE: Oh she sees them sometimes. Has them over to her place. But they don't live there. They don't even spend the night there. As I said, she doesn't seem to want much of anything to do with any of us anymore.

PREPARER: Now you take care of the household expenses for everybody?

ALICE: Well, pretty much. I mean, my son, he helps when he can. A little here and a little there. You know, for the kids' clothes and a few school expenses, but he doesn't make much.

PREPARER: Let's talk about income. Your son makes...?

ALICE: \$7,200 last year.

PREPARER: And you, Mrs. Jackson?

ALICE: Well, I earned \$8,000, and then there's my Social Security, that's another \$12,000. Say, why are you asking all these questions about who earns what and who pays what?

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## VIDEO

POV OF PREPARER OPENING  
NOTEBOOK WHERE AGI IS WRITTEN  
IN HIS HAND. HE READS AS THE  
WORDS COME ON SCREEN:

**IF A PARENT AND A NON PARENT  
CAN CLAIM A CHILD, THE NON  
PARENT MUST HAVE THE HIGHER  
AGI.**

REACTION SHOTS AS THEY TALK.  
CLOSE UP DETAIL SHOTS OF HER  
HANDS HOLDING HER PURSE IN HER  
LAP, HIS FACE, BROWS, HER SMILE  
AT THE GOOD NEWS, ETC.

THE DIALOG ENDS AS THEY SIT AT  
THE DESK.

ARTCARD WITH GRAPHICS:

**DUE DILIGENCE MUST DO'S:**  
DETERMINE ALL ELIGIBLES WHO  
COULD CLAIM THE SAME CHILD.  
FOLLOW THE AGI RULE.  
**DUE DILIGENCE**  
**Give your clients their due.**

## AUDIO

PREPARER: Well, We have to know the  
adjusted gross income of parents who can  
claim their kids. It's called the AGI rule.

PREPARER: If a parent and a non parent  
can claim a child, the non parent must have  
the higher AGI.

ALICE: Ah, then I suppose you'll want to  
know what my son's ex-wife makes next.

PREPARER: Not this time. You see, she  
doesn't qualify for the EITC because the  
kids didn't live with her more than half the  
year.

ALICE: Oh. I guess it's down to either me  
or my son. So?

PREPARER: You qualify, Mrs. Jackson  
because your income is higher than your  
son's. And you meet all the other eligibility  
requirements.

ALICE: Ha. Well, you learn something new  
every day...even at my age.

PREPARER: How true, Mrs. Jackson.  
How true.